

Effective 5/12/2015

57-28-204 Independent counseling.

- (1) Before a prospective borrower signs a reverse mortgage application, the prospective borrower shall meet with an independent housing counselor.
- (2) During the meeting described in Subsection (1):
 - (a) the prospective borrower and the independent housing counselor shall discuss the financial impacts of a reverse mortgage, including:
 - (i) options other than a reverse mortgage that are or may become available to the prospective borrower;
 - (ii) other home equity conversion options that are or may become available to the prospective borrower, including sale-leaseback financing, a deferred payment loan, and a property tax deferral; and
 - (iii) the financial implications, specific to the prospective borrower, of entering into a reverse mortgage; and
 - (b) the independent housing counselor shall give the prospective borrower a written disclosure that states that a reverse mortgage may:
 - (i) have tax consequences;
 - (ii) affect the prospective borrower's eligibility for assistance under certain state and federal programs; and
 - (iii) impact the prospective borrower's estate and heirs.

Enacted by Chapter 290, 2015 General Session